GOVERNMENT OF INDIA
MICRO,SMALL AND MEDIUM ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:67
ANSWERED ON:30.11.2015
Performance of MSME Sector
Charitra Shri Ram

Will the Minister of MICRO,SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether the Micro, Small and Medium Enterprises (MSMEs) have sought to provide tax break based on employment or employment generation for a large number of people;

(b) if so, the details thereof;

(c) whether the MSME sector contributes about 8% to India's GDP and a capital infusion of Rs.24,000 crore under the 12th Five Year Plan; and

(d) if so, the details thereof ?

Answer

MINISTER OF STATE IN THE MINISTRY OF
MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI GIRIRAJ SINGH)

(a) & (b): FICCI in its pre-budget memorandum for 2016-17 had inter alia suggested introduction of employment linked tax rebates to entrepreneurs to boost the MSMEs and Start-ups. A rebated income-tax for small start-up businesses was also suggested to encourage small Start-ups and boost job creation.

(c) & (d): Yes, the Manufacturing Segment of the Micro, Small and Medium Enterprises sector contributes about 8% to India's GDP. There is no capital infusion of Rs. 24,000 crore under the 12th Five Year Plan to the sector.

However the Ministry of Micro Small and Medium Enterprises (MSME) was allocated Rs. 24,124 crore as Plan Budget to boost the country's Micro, Small and Medium Enterprises sector during the 12th Five Year Plan period (2012-17).